

Capital: Zagreb

Size: 21,823 square miles, slightly smaller than West Virginia

Population: 4.4 million (2004)

Population Growth Rate: -0.1% (2004)

Life Expectancy: males 73 years; females 78 years (2003)

Infant Mortality: 7.06 deaths per 1000 live births (2002)

GNI per capita (purchasing power parity): \$10,600 (2004)

Real Annual GDP: \$47.05 billion (2004)

GDP Growth: 3.7% (projected for 2005)

Foreign Direct Investment: \$1.7 billion (2004)

Unemployment: 17.3%

Religion: Roman Catholic, Eastern Orthodox, Muslim and others

Language: Croatian

President: Stjepan Mesić

Prime Minister: Ivo Sanader

Ambassador to U.S.: Neven Jurica



National Interest: Croatia's integration into regional and Euro-Atlantic institutions is a mechanism for ensuring a lasting peace, progress and economic prosperity in south central Europe. Croatia serves as a motivation and a model of cooperation with Bosnia and Herzegovina, Serbia and Montenegro. The USAID program helps to consolidate the reforms to date and ensure that Croatia will continue those reform efforts. Croatia has been a staunch and loyal partner with the U.S. in its ongoing war against terrorism. Croatia's expeditious path to the European Union will materialize with greater cooperation with the ICTY through the handover of Ante Gotovina, a publicly indicated war criminal.

OVERVIEW OF USAID'S FOCUS IN CROATIA

FY 05: Total AEEB - \$20 million, USAID Total - \$17.5 million

USAID has been operating in Croatia since 1992. During this time USAID delivered more than \$300 million in assistance to Croatia. USAID/Croatia had designed and is implementing a results oriented close-out strategy. The strategy elements include continued assistance for NGO sustainability and local government capacity building and reform, expansion of small and medium enterprise development/job creation, and competitiveness. Assistance in anti-trafficking and HIVAIDS activities are significant portions of the strategy as well. In FY 2005 USAID/Croatia's program budget is \$20 million.

The USAID assistance program is aimed at helping Croatia continue progress toward a prominent place within the community of democratic and market-oriented nations, and to become a force for stability, peace, cooperation and prosperity throughout south central Europe. Stronger economic and political institutions accompanied by a committed social sector, will further permanent peace and stability throughout the region. USAID will complete its assistance program in Croatia in 2008.

Private Sector Growth (FY 05 \$8.2 million, 41%): USAID's focus in this sector encourages the growth of a dynamic and competitive private sector by providing technical assistance to private enterprises, and guidance on structural reforms to encourage domestic and foreign direct investment spurring private sector growth and work to reduce high unemployment with special focus on economically distressed areas. Technical assistance to the Croatia energy sector is resulting in the establishment of regional energy cooperation and a more efficient and use of energy and the development of mechanisms for revenue generation.

Effective Citizen Participation & Improved Governance (FY 05 \$9.4 million, 47%): USAID provides democracy technical assistance to local governments on budget, asset management and capacity building; and to local non-governmental organizations (NGOs) with development, management and outreach skills to ensure sustainability.

Cross Cutting Initiatives (FY 05 \$2.3 million 11%): USAID's assistance provides support across all strategic objectives in the areas of anti-corruption, good governance, transparency through participant training. Support is also provided for HIVAIDS program activities. Promotion of environmental partnerships with businesses, local governments, associations, and U.S. businesses and organizations is also encouraged and supported.

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